

PERSONNEL

**Voluntary Payroll Deductions-Tax Sheltered Annuities/
457(b) Deferred Compensation Plan**

A. Generally

Tax-sheltered annuities and 457 (b) Deferred Compensation Plans are available to all employees. An employee may enroll, change or stop an election at any time during the year except that ten (10) and eleven (11) month employees may not enroll, change or stop an election during the month of July, August, and September.

B. Tax-sheltered Annuities - Approved Vendors

1. Aetna Life Insurance
2. American Express Financial Advisors (IDS)
3. Capital Guardian Trust - American Funds Group
4. Equitable
5. Horace Mann
6. Metropolitan Life
7. Nationwide Life Insurance Company
8. New York Life
9. Primerica Financial Services
10. VALIC (Variable Annuity Life Insurance Company)
11. Virginia Retirement Specialists, Inc.

The number of approved vendors for tax-sheltered annuities shall not exceed eleven (11) at any given time plus such additional vendors that meet and satisfy required enrollment criteria in timely fashion for inclusion on the payroll of February 1, 2000. Vendors must have an initial enrollment of thirty (30) employees with an active roster of twenty-five (25) accounts to be granted payroll deduction privileges by the Superintendent.

C. Tax-sheltered 457(b) Deferred Compensation - Approved Vendors

1. AIG/VALIC
2. Chase

(continued)

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D. Vendor Requirements for Participation

Vendors must first complete the pre-requirements as requested by the Department of Financial Services to be approved for payroll deduction before soliciting business from any employee of Stafford County Public Schools.

- a. No appointment may be conducted with an employee during instructional hours.
- b. Vendors may leave their business cards and brochures in employee mailboxes at each base location with the permission of the Department of Financial Services and the principal or supervisor.
- c. Voluntary meetings may be held before or after school hours at base locations with the principal or supervisor's permission.
- d. Vendors may not speak at mandatory staff meetings.
- e. Any report of harassment of an employee or negative comments about other vendors or their products may terminate a vendor's privilege of payroll deduction.

Vendors must provide a maximum exclusion allowance (MEA) on all employees who participate in tax-sheltered annuities/deferred compensation plans initially and for all changes that are made to tax-sheltered annuities/deferred compensation plans deductions. The total tax-sheltered annuities/deferred compensation plans (may be more than one vendor) must be used in the calculations for MEA's for tax-sheltered annuities/deferred compensation plans.

Failure of a vendor to submit a MEA calculation will result in a loss of continued payroll deductions for the employee.

Approved by the Division Superintendent: November 3, 1999
Revised by the Division Superintendent: May 25, 2004
Revised by the Division Superintendent: February 22, 2005

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| Board Review: February 22, 2005 Staff Review: August 1, 2005 Responsible Department: Financial Services |
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